

Oil & Natural Gas Corporation Limited

CMP : Rs 166.40

August 02, 2018

Operating profit up 55%

ONGC reported 43% increase in its topline to Rs 27212.83 crore in Q1FY19 compared to corresponding previous year period while bottom-line rose 58% to Rs 6143.88 crore over the same period.

Topline rose 43% as crude oil realisation (nominated) in rupee terms increased 53.5% to Rs 4792 per barrel. In dollar terms ONGC crude oil realisation (nominated) was up 47.6% to USD 71.48 per barrel in Q1FY'19. Gas price was 23.4% higher in Q1FY19 to \$ 3.06 per mmbtu compared to \$ 2.48 per mmbtu in Q1FY18

Crude oil production fell 3.5% in Q1FY19 to 6.217 MMT compared to Q1FY18. This includes 5.028 MMT from domestic operations and 0.809 MMT from JVs and 0.38 MMT of condensate. ONGC gas production rose 12% to 867 BCM in Q1FY'19. This includes 5.926 BCM from domestic operations and 0.267 BCM from JVs.

OPM rose 390 bps to 49.9% leading to 55% rise in operating profit to Rs 13592.7 crore. Cost of material consumed as a percentage of adjusted net sales rose to 2% from 1%. Employee benefit expense fell to 2% from 3%. Statutory levies were up to 25% compared to 24% while exploration cost written decreased to 4% from 6% and other expenses were down to 17% from 20%.

Other income of the company fell 28% to Rs 649.88 crore. Interest cost rose 170% to Rs 748.61 crore. Depreciation (includes Depletion, Amortization and impairment losses) cost increased 12% to Rs 3887.22 crore. PBT rose 62% to Rs 9606.75 crore. Effective rate of taxes rose to 36% from 35%. Net profit increased 58% to Rs 6143.88 crore.

For year ended March 2018 topline of the company rose 9% to Rs 85004.1 crore compared to corresponding previous year period. Operating margins of the company rose 380 bps to 43.5% leading to 20% rise in operating profits to Rs 36987.56 crore. Other income of the company rose 3% to Rs 7883.55 crore. Interest cost rose 23% to Rs 1508.47 crore. Depreciation (includes Depletion, Amortization and impairment losses) cost increased 19% to Rs 14470.17 crore. PBT rose 15% to Rs 28892.47 crore. Effective rate of taxes rose to 31% from 29%. Net profit increased 11% to Rs 19945.26 crore.

INDEX DETAILS

| | |
|-----------------|----------|
| SENSEX | 37165.16 |
| NIFTY (S&P CNX) | 11244.70 |

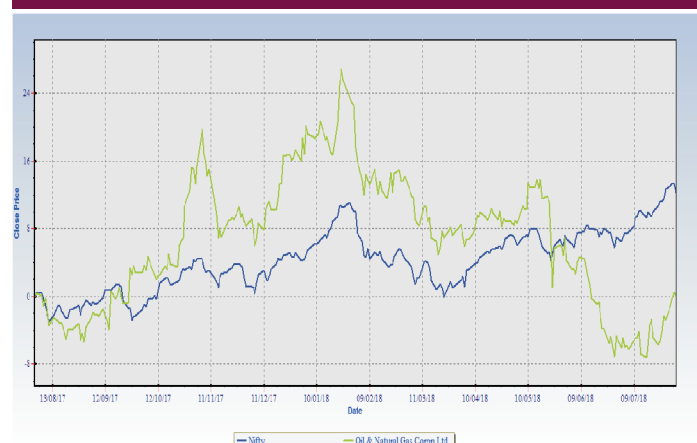
SCRIP DETAILS

| | |
|-----------------------|--------------------------|
| Industry | Exploration & Production |
| Mkt Cap (Rs in Crore) | 213031.70 |
| Book Value (Rs) | 150.69 |
| Free Float (%) | 32.55 |
| Avg Vol Weekly (NSE) | 6480173 |
| 52 Week H/L (NSE) | 212.90 / 152.45 |
| Dividend Yield (%) | 3.98 |
| BSE Code | 500312 |
| NSE Code | ONGC |

SHAREHOLDING PATTERN(%)

| PARTICULARS | LATEST QUARTER | PREVIOUS QUARTER |
|-------------|----------------|------------------|
| Promoters | 67.45 | 67.72 |
| FII's | 5.43 | 5.47 |
| DII's | 13.56 | 13.24 |
| Others | 13.56 | 13.57 |
| Totals | 100 | 100 |

Price Comparison with Sensex



ONGC Standalone Results

| Particulars | Q1FY19 | Q1FY18 | Var (%) | FY18 | FY17 | Var (%) |
|--------------|----------|----------|---------|----------|----------|---------|
| Net Sales | 27212.83 | 19073.54 | 43 | 85004.1 | 77907.73 | 9 |
| OPM (%) | 49.9 | 46 | | 43.5 | 39.7 | |
| OP | 13592.7 | 8774.02 | 55 | 36987.56 | 30950.45 | 20 |
| Other Income | 649.88 | 903.74 | -28 | 7883.55 | 7676.34 | 3 |
| PBDIT | 14242.58 | 9677.76 | 47 | 44871.11 | 38626.79 | 16 |
| Interest | 748.61 | 276.93 | 170 | 1508.47 | 1221.74 | 23 |
| PBDT | 13493.97 | 9400.83 | 44 | 43362.64 | 37405.05 | 16 |
| Depreciation | 3887.22 | 3463.06 | 12 | 14470.17 | 12189.54 | 19 |
| PBT | 9606.75 | 5937.77 | 62 | 28892.47 | 25215.51 | 15 |
| Tax | 3462.87 | 2053.04 | 69 | 8947.21 | 7315.54 | 22 |
| PAT | 6143.88 | 3884.73 | 58 | 19945.26 | 17899.97 | 11 |
| EPS (Rs)* | 19.1 | 12.1 | | 15.5 | 13.9 | |

NOTES

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